

ORIGINAL

Sahuarita
Water Company



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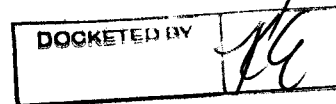
June 13, 2016

Docket Control Center
Arizona Corporation Commission
1200 W Washington Street
Phoenix, AZ 85007

Arizona Corporation Commission

DOCKETED

JUN 15 2016



Re: Docket No. **W03718A-09-0359**

Decision No. 72177

CAGR D Fee Adjustor Compliance Document

Pursuant to Decision No. 72177, condition #5 of the CAGR D Fee Adjuster, Sahuarita Water Company, LLC is submitting the CAGR D Final 2016/2017 Rate Schedule approved on June 9th, 2016. Please find one original and thirteen copies of the 2016/2017 CAGR D rate schedule, including cover letter.

Please do not hesitate to contact me with questions or if you need further information.

Kind regards,

Geoff Caron
General Manager

**CENTRAL ARIZONA
GROUNDWATER REPLENISHMENT DISTRICT
FINAL 2016/17 - 2021/22 RATE SCHEDULE**

Approved
June 9, 2016

CENTRAL ARIZONA GROUNDWATER REPLENISHMENT DISTRICT ASSESSMENT RATES

Units = \$/acre-foot

	2015/16	Firm 2016/17	Provi- sional 2017/18	2018/19	2019/20	Advisory 2020/21	2021/22
Phoenix Active Management Area							
Water & Replenishment Component ¹	\$ 179	\$ 186	\$ 214	tbd	tbd	tbd	tbd
Administrative Component ²	45	32	29	28	28	28	28
Infrastructure & Water Rights Component ³	353	353	353	353	333	313	293
Replenishment Reserve Charge ⁴	67	89	101	tbd	tbd	tbd	tbd
Total Assessment Rate (\$/AF)	\$ 644	\$ 660	\$ 697	tbd	tbd	tbd	tbd

Pinal Active Management Area

Water & Replenishment Component ¹	\$ 160	\$ 175	\$ 204	tbd	tbd	tbd	tbd
Administrative Component ²	45	32	29	28	28	28	28
Infrastructure & Water Rights Component ³	353	353	353	353	333	313	293
Replenishment Reserve Charge ⁴	75	96	108	tbd	tbd	tbd	tbd
Total Assessment Rate (\$/AF)	\$ 633	\$ 656	\$ 694	tbd	tbd	tbd	tbd

Tucson Active Management Area

Water & Replenishment Component ¹	\$ 202	\$ 213	\$ 238	tbd	tbd	tbd	tbd
Administrative Component ²	45	32	29	28	28	28	28
Infrastructure & Water Rights Component ³	353	353	353	353	333	313	293
Replenishment Reserve Charge ⁴	85	108	131	tbd	tbd	tbd	tbd
Total Assessment Rate (\$/AF)	\$ 685	\$ 706	\$ 751	tbd	tbd	tbd	tbd

Contract Replenishment Tax - Scottsdale ⁵

Cost of Water	\$ 179	\$ 184	\$ 195	\$ 220	tbd	tbd	tbd
Cost of Transportation	0	0	0	0	0	0	0
Cost of Replenishment	0	0	0	0	0	0	0
Administrative Component ²	45	32	29	28	28	28	28
Total Tax Rate (\$/AF)	\$ 224	\$ 216	\$ 224	\$ 248	tbd	tbd	tbd

ENROLLMENT & ACTIVATION FEES

Units = \$/Unit

Enrollment Fee - Commercial Subdivisions ⁶	n.a.	\$ 500	\$ 700	\$ 924	\$ 1,094	tbd	tbd
Enrollment Fee ⁷	\$ 284	\$ 284	\$ 284	\$ 284	\$ 284	\$ 292	\$ 301
Activation Fee - Minimum ⁸	\$ 282	\$ 282	\$ 282	\$ 282	\$ 282	tbd	tbd
Activation Fee - Phoenix AMA ⁸	\$ 350	\$ 460	\$ 610	\$ 820	\$ 1,080	tbd	tbd
Activation Fee - Pinal Post-2007 ⁸	\$ 350	\$ 460	\$ 610	\$ 820	\$ 1,080	tbd	tbd
Activation Fee - Tucson AMA ⁸	\$ 320	\$ 400	\$ 510	\$ 640	\$ 810	tbd	tbd

ANNUAL MEMBERSHIP DUES

Member Land Annual Membership Dues (\$/Lot) ⁹

Phoenix Active Management Area	\$ 20.78	\$ 16.50	\$ 22.63	\$ 27.24	\$ 27.16	\$ 28.43	\$ 29.87
Pinal Active Management Area	\$ 2.80	\$ 10.57	\$ 14.88	\$ 18.48	\$ 19.18	\$ 20.85	\$ 22.58

**CENTRAL ARIZONA
GROUNDWATER REPLENISHMENT DISTRICT
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June 9, 2016

Tucson Active Management Area	\$ 13.21	\$ 16.89	\$ 23.58	\$ 28.86	\$ 29.17	\$ 30.91	\$ 32.88
<u>Member Service Area Annual Membership Dues (\$/AF) ⁹</u>	\$ 32.34	\$ 52.68	\$ 74.44	\$ 93.32	\$ 98.56	\$ 108.97	\$ 120.12

**CENTRAL ARIZONA
GROUNDWATER REPLENISHMENT DISTRICT
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NOTES:

- 1) The Water & Replenishment Component covers the projected annual costs of satisfying replenishment obligations, including the purchase of long-term storage credits (LTSC) and the purchase and replenishment of water and effluent. For the Phoenix Active Management Area (AMA), replenishment is planned to be accomplished at direct underground storage facilities (USFs) and groundwater savings facilities (GSFs). For the Pinal AMA, replenishment is planned to be accomplished at GSFs. For the Tucson AMA, replenishment is planned to be accomplished at USFs.
- 2) The Administrative Component covers CAGRDR administrative costs, except labor related costs associated with the acquisition of infrastructure and water rights, and associated with enrollment costs. A \$2/AF has been added to this component to fund the Board's CAGRDR conservation program.
- 3) The Infrastructure & Water Rights Component covers the cost to develop additional water supplies and the cost to construct additional infrastructure as the need arises.
- 4) The Replenishment Reserve Charge covers costs associated with establishing a replenishment reserve of LTSCs as provided in ARS Sections 48-3774.01 and 48-3780.01.
- 5) The components of the Contract Replenishment Tax - Scottsdale reflect the provisions in the Water Availability Status Contract to Replenish Groundwater between CAWCD and Scottsdale.
- 6) Separate Enrollment Fees for Commercial Subdivisions were authorized by the November 5, 2015 CAP Board Amended Enrollment Fee and Activation Fee Policy. Enrollment Fees for Commercial Subdivisions are phased in over a two year period, and starting in the 2018/2019 fiscal year forward, are equal to the Member Land Enrollment Fee plus the Tucson AMA Activation Fee. This formula applies with the exception being if a Commercial Subdivision enrolls with more than 50 parcels, then the Commercial Subdivision Enrollment Fee applies on the first 50 parcels, and only the Member Land Enrollment Fee applies to the number of parcels over 50.
- 7) The Enrollment Fee is collected pursuant to the CAGRDR Enrollment Fee and Activation Fee Policy adopted by the Board on May 1, 2008. A \$2 per housing unit is included in the Enrollment Fee to help fund CAGRDR's conservation program.
- 8) The Activation Fees is in accordance with the Preliminary 2014/15 - 2019/20 CAGRDR Activation fee schedule adopted by the Board on November 7, 2013.
- 9) The Annual Membership Dues for Member Lands and Member Service Areas are pursuant to ARS Sections 48-3772.A.8. and 48-3779 as well as the Policy on Collection of CAGRDR Annual Membership Dues adopted by the Board on April 7, 2011.